

# **APPENDIX L**

**Questions and answers from the Task Force to the  
U.S. Forest Service**





Tony Knowles, Governor

## **Southeast Regional Timber Task Force**

Doug Roberts, Cochair (907) 874-2381 ☎ Jeff Meucci, Cochair (907) 772-4669 ☎ Kathleen S. Morse, State Partner (907) 465-2018

Mr. Phil Janik  
Regional Forester  
USDA Forest Service  
P.O. Box 21628  
Juneau, AK 99802-1628

Dear Mr. Janik:

The members of the Southeast Alaska Timber Task Force appreciate your commitment to work cooperatively with us as we develop a plan to foster, strengthen, and support an economically viable timber industry. However, our interactions with the Forest Service to-date, while informative, have been largely theoretical. To continue to move forward with our mission, we need you to work with us to pin down fundamental problems, potential solutions and —most importantly— the specific actions needed to carry these ideas forward.

For instance, virtually all segments of the industry have expressed concern over the unreliability of the Tongass timber program. At issue here are fundamental questions over the reasons for continued shortfalls in planned vs. offered timber sale volume and a desire to learn what, if anything, can be done to reduce timber supply disruptions in the future. We simply must have a more informed understanding of this issue before we can attempt to construct effective solutions.

To help focus our discussion at future meetings, the enclosed list of questions was developed by task force members. These are things we need to know in order to provide the Governor with recommendations that will have measurable and positive results. As such, the questions were not designed to “make a point” or to be accusatory in nature. Our sole objective is to acquire knowledge and understanding about the Forest Service timber program at a higher level of specificity. If you have other suggestions for accomplishing this, we would be happy to consider them.

At the last task force meeting, Deputy Regional Forester, Jim Caplan, noted that some of the information we are asking for is predicated on the release of a final Tongass Land Management Plan (TLMP). This is understandable. We would like to receive your reply to questions unrelated to TLMP before the next task force meeting (Dec. 12) so we can have a more detailed discussion of these topics at that time. The remaining questions can be addressed as circumstances permit.

We are looking forward to your reply and the discussion to follow. If you need any clarification or additional information, please contact Kathleen S. Morse, Alaska Department of Commerce and Economic Development, at 465-2018.

Sincerely,

Doug Roberts, Chairman  
Southeast Alaska Regional Timber Task Force

**SOUTHEAST REGIONAL TIMBER TASK FORCE  
QUESTIONS FOR THE U.S. FOREST SERVICE**

**I. Timber Supplier and Interruptions**

A. Please identify the procedural roadblocks (at all administrative levels) to providing a long-term, reliable supply of timber from the Tongass.

B. At a recent task force meeting (Oct. 29), the Forest Service distributed a document entitled "Tongass National Forest Timber Sale Program, Fiscal Year 1997". Please list any anticipated roadblocks to the timely offering of these sales. What needs to be done to ensure that this timber is actually made available for purchase in FY 1997?

C. What are the necessary steps the Forest Service must take to be able to offer a ten-year timber sale? Are you willing to begin this process? If so, when? Could one or more existing planned sales be combined to form a larger sale for this purpose?

D. What statutory or regulatory changes would be necessary for the Forest Service to require the timber in specific sales to be processed in specific communities?

E. If the Forest Service allowed selective helicopter logging of the higher-value trees in a sale area, it would seem that some level of industry could be supported without additional road building. Would the Forest Service consider this form of "high-grading?" Roughly how much volume could be available for harvest using only the existing road system?

F. The attached flow diagram illustrates that a pipeline of 742.5 MMBF is needed in order to support a harvest level of 297 MMBF (the ASQ put forth in the most recent draft TLMP). What can the Forest Service do to attain this pipeline volume? Obviously, more sales volume must be sold than is harvested each year, but it is not clear how this can be accomplished.

*The following questions (C-G) pertain to the timber sales (long-term and independent) prepared, offered, and/or sold on the Tongass from FY 1990 through FY 1996.*

G. Please describe the original sale plan, using maps to show areas that were planned for harvest, and the estimated timber volume to be sold.

H. Please list the date the NEPA process was started for the sale, the date it was completed, the date the Record of Decision was signed, the date the sale was advertised, the date the sale was awarded, and the date the operator was given authority to proceed.

I. Was the sale appealed or litigated? If so, what volume was available on what data following appeal or litigation. If the volume was decreased when the sale was finally made available to the operator, please note how much and why.

J. Please explain any major changes made to the sale layout after the sale was offered, the effect of these changes on volume and appraised values, and any identifiable delays to the operator resulting from those changes.

K. Please prepare a chart showing the relationship between the planned volume described in question I.A and the actual volume provided to the operator (question I.D).

L. Please list the timber sales that were offered but received no bids and, where possible, explain why.

## **II. Sale Economics.**

*There are many factors which affect the viability of a given timber sale. For example, unit size, timber volume per mile of road, volume of timber per acre, and the specified harvest method are all factors in sale economics.*

A. The enclosed graph depicts the profitability of eight current timber sales based on the Forest Service “mid-market” test. This test indicated most current sales allow less than a normal profit and risk allowance in “average” markets. Some sales actually show a loss in an “average” market. We realize that the “mid-market” test is not the definitive measure of economic feasibility but these observations do help to underscore our concerns. How can the Forest Service ensure that the economic feasibility of the sale is explicitly considered in the initial stages of sale design? What can the Forest Service do to improve the profitability of their sales?

B. The timber industry and the Forest Service continue to disagree about the economic viability of the timber sales offered on the Tongass. A possible solution is to allow the industry to design the optimum timber sale layout for a proposed offering subject to guidelines put forth by the Forest Service. This would become the “proposed action” which would be the subject of NEPA scoping and serve as the basis from which the Forest Service IDT would develop a set of alternatives for the public to review. Is this something the Forest Service would consider doing? If so, what needs to be done to make this happen?

C. How will new standards and guidelines in the revised Tongass Land Management Plan effect cost factors related to new timber sales as compared to sales over the last decade?

D. After the TLMP revision is completed, can we expect the volume of timber per mile of road construction required to be comparable to that experienced over the last decade (using the actual harvest volumes reported in question I.D)?

E. After the TLMP revision is completed, can we expect unit sizes to be comparable to the unit sizes of sales over the last decade? If not, what changes can we expect?

F. After the TLMP revision is completed, what percentage of the timber sales offered are likely to require nonstandard harvesting methods such as helicopter logging? How will the Forest Service ensure that these sales are economically viable?

G. Please compare the average volume per acre for the sales that will be offered under the revised TLMP with that of sales offered over the last decade.

United States  
Department of  
Agriculture

Forest  
Service

Alaska Region

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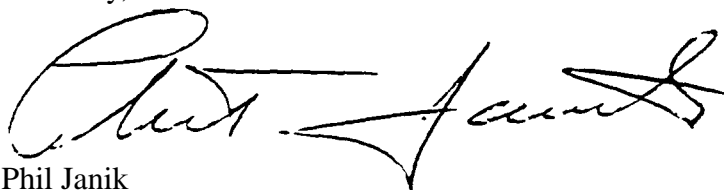
The Honorable Doug Roberts  
Chair, Southeast Regional Timber Task Force  
City of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

Dear Mayor Roberts:

I am pleased to respond to your recent letter which included a list of questions. I do not agree that the Tongass timber program has been "unreliable," but do take seriously the concerns over timber supply expressed by industry. Our answers to your questions are included in the enclosed document. I have also enclosed a copy of the 1996 General Accounting Office Audit of Forest Service expenditures preparing timber sales on the Tongass National Forest.

Please contact Jim Caplan or Fred Walk of my office if further information is needed. Both of them are planning to attend your meeting on January 17th in Juneau. I understand representatives from the Forest Products Laboratory in Madison, Wisconsin will also be attending in response to a request from the State.

Sincerely,



Phil Janik  
Regional Forester

Enclosures

cc:  
Forest Supervisors  
Staff Directors  
Steve Ambrose  
OGC



Caring for the Land and Serving People

**FOREST SERVICE RESPONSE  
SOUTHEAST REGIONAL TIMBER TASK FORCE  
QUESTIONS FOR THE U.S. FOREST SERVICE**

I. Timber Supply and Interruptions

A. Please identify the procedural roadblocks (at all administrative levels) to providing a long-term, reliable supply of timber from the Tongass.

Response What constitutes a “roadblock” to continuing to maintain a reliable supply of timber depends on your point of view. An all-inclusive list of the “procedural roadblocks” that might impact maintaining a reliable long-term supply of timber from the Tongass. Of the most substantial influences, the President’s budget request to Congress establishes a program-sell level for the Forest Service as well as the funding level needed to support that program level. That presidential budget request is based on many factors but is consistent with forest plan direction and Agency capability. Congress passes an appropriation bill that finalizes national sale program level expectations and appropriates money to fund that program level. The national budget is then distributed to the Regions based on national and agency needs as well as the regional budget proposals previously submitted. Obviously, the sale program level for the Tongass can be and is greatly affected by the budget process.

Other factors which can affect the timber supply flow are:

Completion of environmental analysis, documentation, and public participation for timber sale projects according to forest plan and other requirements of applicable law;

Appeals and litigation of forest plan and timber sale environmental documents;

Obtaining permits, approvals, or consistency findings by other agencies;

Over 30 different permits, approvals, concurrences, or consistency findings may be involved in any given timber sale. Frequently, adjustments are made to the timber sale package to satisfy the reviewing agency requirements which delays and reduces the volume to be sold. A task list depicting these requirements is included as an attachment.

Weather conditions prevent field crews from accessing sale areas resulting in delays in completing sale preparation work;

Diversion of staff to higher priority work such as emergency fire-fighting or other disaster-relief work; and

Loss of staff or critical special staff skills due to retirements, job changes, lost time in recruiting and moving new people into position. As a rule of thumb, about 10-15 percent of our positions are vacant at any point in time.

B. At the recent task force meeting (Oct 29), the Forest Service distributed a document entitled “Tongass National Forest Timber Sale Program, FY 1997”. Please list any anticipated roadblocks to the timely offering of these sales. What needs to be done to ensure that this timber is actually made available for purchase in FY 1997?

Response The Shamrock Timber Sale has been sold and is under contract.

The King George Timber Sale is planned for bid opening, however, the permitting process is not yet completed. Discussions are on-going with the Corps of Engineers regarding silviculture (404(f)) exemption to the need for a 404 permit (Clean Water Act). The sale will be advertised as soon as the issue is resolved and the necessary State of Alaska tidelands permits are issued. We now expect bids to be opened within the next 3-4 months.

The Lisa Creek Timber Sale, Water World Timber Sale, and the Duffield Timber Sale approximating 36.6 MMBF are included in the Sitka Tribe of Alaska v. Gary Morrison, No. J96-019 CV (D. Alaska) lawsuit. We are deferring these sales pending resolution of this case in the federal district court. The earliest we expect to open bids on these sales is late July 1997.

The Heceta Sawfly Timber sale has been sold to Age Cedar Products and the Nootkatensis Salvage Timber Sale was sold to Gateway Timber. Both sales occurred in late December.

The remaining timber sales included on the list are expected to proceed on schedule.

We anticipate that all of the sales listed will actually be made available for purchase in FY 1997, therefore, nothing additional needs to be done.

C. What are the necessary steps the Forest Service must take to be able to offer a ten-year timber Sale? Are you willing to begin this process? If so, when? Could one or more existing planned sales be combined to form a larger sale for this purpose?

Response The steps for offering a timber sale with a term of up to 10 years are the same as the steps for offering a sale with a shorter term. Additional contractual requirements must be considered however, such as a provision for scheduled rate redetermination. Further, our regulations provide that a timber sale cannot exceed 10 years in duration with a very limited exception (36 CFR 223.31). Therefore, if the original contract term was for the full 10 years, there would be no ability to extend the term or to adjust the term regardless of the need.

In the meantime, we are willing to work with the Timber Task Force and the timber industry to identify opportunities for extended-term sales that could be offered for competitive bidding.

We are willing to consider combining one or more of the existing planned sales to form a larger sale with an extended term.

D. What statutory or regulatory changes would be necessary for the Forest Service to require the timber in specific sales to be processed in specific communities?

Response There is existing statutory authority in the Sustained-Yield Act of March 29, 1944 (16 U.S.C. 583b) which authorizes establishment of sustained yield units for the maintenance of stable communities where such communities primarily depend upon the sale of timber or other forest products from Federally owned or administered lands. Under the Act, the Secretary of Agriculture is authorized in Section 3 of the Act to establish by formal declaration the establishment of a sustained-yield unit subject to such conditions and requirements that the Secretary believes necessary. Forest Service Manual 2468 provides agency direction regarding sustained-yield units and directs at 2468.03 Policy, not to establish new Federal or cooperative sustained-yield units.



E. If the Forest Service allowed selective helicopter logging of higher-value trees in a sale area, it would seem that some level of industry could be supported without additional road building. Would the Forest Service consider this form of “high-grading?” Roughly how much volume could be available for harvest using only the existing road system?

Response Removing selected trees from an area as part of a timber sale is one of the silvicultural prescriptions being used to accomplish resource objectives and reduce the cumulative effects of clear-cutting. Many of the individual trees or groups of trees that are harvested will be the higher-value trees unless there are resource requirements for them to remain. These prescriptions will be especially applicable in areas that are visually sensitive and for the most part will require helicopter logging, although some cable or shovel yarding would be probable. In that context, the Forest Service would consider selective helicopter logging of higher-value trees. Helicopter yarding becomes prohibitively more expensive as yarding distance increases. Distances beyond one (1) mile from a road or landing area are generally considered as being too costly for helicopter logging. We do not have an estimate of the volume that could be harvested by helicopter without additional road construction.

F. The attached flow diagram illustrates that a pipeline of 742.5 MMBF is needed in order to support a harvest level of 297 MMBF (the ASQ put forth in the most recent draft TLMP). What can the Forest Service do to attain this pipeline volume? Obviously, more sales volume must be sold than is harvested each year, but it is not clear how this can be accomplished.

Response The Forest Service does not accept or agree with the assertions portrayed in the flow diagram attached to your letter. The assertion that 10% of the volume requires 1 year to harvest, 30% requires 2 years to harvest and that 60 percent of the volume requires 3 years to harvest doesn’t comport with our timber sale program. Except for our small salvage sales, nearly all of our timber sale contracts have at least 3 operating seasons for harvesting the timber. The purchaser generally has the freedom to schedule the actual harvest within that contract term in a manner that best serves the purchaser’s needs and completes the harvest within the contract term.

It may be desirable for an operator to have a 2 to 3 year supply of timber under contract in order to have flexibility in planning harvesting operations and to take advantage of market fluctuations. We also know from experience that the volume of timber under contract will increase during poor market periods and will decrease when markets are more favorable. The Forest Service has limited ability to increase the amount of timber it offers each year to permit purchasers to build up large supplies of timber under contract. Increasing the number of sales prepared in advance and placed “on the shelf” (“Pipeline” in Forest Service terms) has been attempted in the past with limited success. Timber sales prepared in advance have a short shelf life primarily for some of the reasons outlined in I.A. Further, new information regarding resource needs, court decisions, and changes in laws, regulations, policy occur frequently enough that sale plan revisions are likewise very frequent. These changes often result in a reduction of volume included in the sale proposal.

We also disagree that only 50 percent of the annual timber harvest from the Tongass National Forest is suitable for existing SE Alaska sawmills. The forest industry in SE Alaska has traditionally labeled as pulpwood some logs that meet contract specifications for logs suitable for sawing into lumber or other manufactured solid-wood products. These logs typically have a lot of large knots covering more than 3 quadrants of the log or have other defects that limit the production of export-quality “baby squares.” In the 50 percent figure, these logs appear to be grouped with logs

not meeting contract specifications for sawlogs but meeting scaling specifications as “Pulp or Utility Logs.” Forest Service data and experience indicates that our timber sales contain approximately 18 percent of these pulp or utility logs and that the remaining approximate 82 percent are suitable for sawing into lumber or other sawn products.

Approximately 525 MMBF of unharvested timber volume is under contract on the Tongass National Forest; approximately 168 MMBF is under contract to independent purchasers.

Questions G-L (pertaining to Tongass timber sale offerings, FY 1990-FY 1996):

In responding to questions G-L, we are not including information relating to any offerings made under the long-term contracts because of the on-going litigation involving these two contracts. In addition, we do not have some of the information needed to answer some of the more detailed questions. We are providing the information that is available and hope that it will meet your needs. The responses we have developed are in the form of tables which are enclosed with this letter.

G. Please describe the original sale plan, using maps to show areas that were planned for harvest, and the estimated timber volume to be sold.

Response Typically, the initial plan or outline for a timber-sale project and associated potential harvest areas and volume are revised several times before the sale is prepared. We do not have ready access to complete historic records for each timber sale plan. Likewise, there is no consolidated timber sale map showing the project areas considered as the sale moves through each preparation phase before eventually being offered. Probably the best source available to compare the areas and volume planned and the areas and volume actually designated for sale is from the individual timber sale project planning record, including NEPA and sale implementation documents. This information is not maintained in our record system and would require researching records on each Area.

H. Please list the date the NEPA process was started for the sale, the date it was completed, the date the Record of Decision was signed, the date the sale was advertised, the date the sale was awarded, and the date the operator was given authority to proceed.

Response The information is not readily available in our records to provide dates for each phase for a timber sale. Table A lists the independent sales (over 100 MBF) prepared between 1990 and 1996. The table also lists the date the ROD was signed, the bid date, and the award date.

I. Was the sale appealed or litigated? If so, what volume was available on what date following appeal or litigation. If the volume was decreased when the sale was finally made available to the operator, please note how much and why.

Response See Table A for the information we currently have available in this regard.

J. Please explain any major changes made to the sale layout after the sale was offered, the effect of these changes on volumes and appraised values, and any identifiable delays to the operator resulting from those changes.

Response The only major changes made to sale layout after a sale has been offered that we are aware of are changes proposed for the Saook and Saginaw sales as a part of the settlement agreement in the AWRTA lawsuit. Those changes are not completed yet, therefore, the requested information is not available.

K. Please prepare a chart showing the relationship between the planned volume described in question I.A. and the actual volume provided to the operator (question I.D.).

Response Your question is interpreted to mean a comparison between the planned volume in I.G. compared to the sold volume in I.H. As stated in the response to I.G., we do not separately maintain specific records that track changes in the planned volume for each timber sale.

L. Please list the timber sales that were offered but received no bids and, where possible, explain why.

Response See Table A. We do not have any specific information related to why a particular sale did not receive a bid.

## II. Sale Economics

There are many factors which affect the viability of a given timber sale. For example, unit size, timber volume per mile of road, volume of timber per acre, and the specified harvest method are all factors of sale economics.

A. The enclosed graph depicts the profitability of eight current timber sales based on the Forest Service “mid-market” test. This test indicated most current sales allow less than a normal profit and risk allowance in “average” markets. Some sales actually show a loss in an “average” market. We realize that the “mid-market” test is not the definitive measure of economic feasibility but these observations do help to underscore our concerns. How can the Forest Service ensure that the economic feasibility of the sale is explicitly considered in the initial stages of sale design? What can the Forest Service do to improve the profitability of their sales?

Response The economic feasibility of a sale is explicitly considered and displayed in the environmental document supporting a sale proposal. The means of displaying this information is the mid-market analysis procedure you referenced. This mid-market analysis has very limited value other than as a reference point to compare alternative sale proposals. The mid-market analysis does not predict markets or profitability. It does not reflect current markets or prices or costs. It reflects “average markets” only in the context of very general historical information.

The Forest Service scrutinizes many different silvicultural prescriptions and logging systems during the sale-planning process. These alternatives are often displayed in the environmental documents. It is Forest Service policy that sale economics be considered in the decision-making process and the decisions provide for the best economic returns when all resource-management needs are considered.

B. The timber industry and the Forest Service continue to disagree about the economic viability of the timber sales offered on the Tongass. A possible solution is to allow the industry to design the optimum timber sale layout for a proposed offering subject to guidelines put forth by the Forest Service. This would become the “proposed action” which would be the subject of NEPA

scoping and serve as the basis from which the Forest Service IDT would develop a set of alternatives for the public to review. Is this something the Forest Service would consider doing? If so, what needs to be done to make this happen?

Response We are working to try this proposal on a limited basis. In order to proceed an agreement must be worked out with a willing Forest Supervisor. Last year, a proposal similar to this was undertaken between the Ketchikan Area and the Alaska Loggers Association to work on the Heceta Sawfly timber sale scheduled for sale this month.

Questions C. D. E. F. and G. relate to the Tongass Land Management Plan Revision and it's Record of Decision. We cannot respond to these questions until The Record of Decision is made public.

Thank you for the opportunity to provide your Task Force with needed information. Please continue to use Jim Caplan, Fred Walk and others on my staff as resources to assist you and your Task Force in accomplishing your mission.

## APPENDIX

Table A. - Response to Questions H, I,

**KETCHIKAN INDEPENDENT TIMBER SALES FOR SALES OVER 100 MBF  
FISCAL YEAR 1990 - 1996**

SALE NAME	TOTAL MBF	ROD DATE	BID DATE	AWARD DATE	REMARKS
MARBLE CREEK III	3,540		1/11/90	2/8/90	
EAST THORNE ARM	20,462	7/1/84	8/30/90	11/14/90	
REFUGIO	14,300		11/21/90	4/11/91	
PAINTED PEAK HELICOPTER	3,802	7/1/84	7/2/91	2/14/92	
NO VIEW SALVAGE	273	5/23/91	4/23/92	5/19/92	
TWO VIEW RESIDUAL	152	3/15/92	5/27/92	6/4/92	
SHIKAT PLUS A-FRAME	646	4/4/91	6/15/92	6/25/92	
8400 LINE SALVAGE	1,803	4/1/92	5/28/92	7/7/92	
CAT'S EYE	3,496	5/7/92	7/7/92	7/15/92	
GONZO II	601	6/1/92	9/9/92	9/14/92	
STEELHEAD BLOWOUT	146	6/1/92	9/23/92	9/28/92	
FALL/SIX	230		1/20/93	1/26/93	
SALT LAKE	8,215	4/4/91	9/24/92	6/1/93	
BROWN MOUNTAIN TOO	3,428	3/19/93	7/13/93	8/16/93	
TUXEKAN NORTH	3,214	4/4/91	8/31/93	9/17/93	
KOOTZNOOWOO, INC.	4,422		9/19/93	9/19/93	
BUTTERCUP	1,539	4/4/91	9/22/93	9/27/93	
20 MILE/INDIAN CREEK	16,620	7/1/89	9/30/93	11/4/93	Appealed 89-94 FEIS No vol reduction
BONANZA CULL LOG SALVAGE	119	2/22/88	11/3/93	11/8/93	
DERRUMBA	585	9/4/91	12/8/93	12/13/93	No bid in FY93 Reoffer sold in FY93
SHOAL COVE SALVAGE	733	4/1/92	5/28/92	4/29/94	
MIDDLE STEEL SALVAGE	101	5/3/94	8/24/94	8/29/94	
TURN-OUT	318	6/1/94	9/8/94	9/19/94	
BEAVER CREEK	4,550	7/1/89	9/22/94	10/26/94	Appealed Vol reduced 5.5 MMBF No bid in FY93 Reoffer sold in FY95
SWING	2,119	12/15/94	3/15/95	3/17/95	No bid in FY93 as the Slackline III TS. Vol reduced .2 MMBF Reoffer sold in FY95
NORTH RIDGE	924	1/31/95	4/15/95	6/1/95	
REDFYS BRIDGE	452	4/21/94	7/14/95	7/24/95	
BLACK BEAR R/W	299	6/1/95	7/17/95	7/26/95	
TOP OF WORLD	592	6/18/93	8/9/95	8/17/95	
FOGBANK SALVAGE	180	2/22/88	9/13/95	9/15/95	
WARREN CHANNEL	912	4/4/91	6/20/96	6/26/96	
TRIANGLE SALVAGE	348	5/20/95	7/17/96	7/24/96	
TIMBER KNOB PASS	415	7/15/95	7/17/96	7/24/96	
SOUTH MCKENZIE	12,317	7/1/89	7/25/96	8/2/96	Appealed, Withdrawn FY94 HCA, Vol reduced 4 MMBF Sold FY96

SALE NAME	TOTAL MBF	ROD DATE	BID DATE	AWARD DATE	REMARKS
CAPE POLE	1,438	4/4/91	8/14/96	8/21/96	
EDGE SALVAGE	104	7/20/95	8/14/96	8/21/96	
LIMES POINT	2,220	4/4/91	9/25/96	10/2/96	
WHISTLE	579	3/7/96	7/15/96	11/6/96	
SANTA CRUZ	18,350	7/15/91	9/15/91		No bid in FY92 Converted to LT sale
POINT SALVAGE	216	5/20/95	3/15/96		No bid in FY96
ROADSIDE SALVAGE	118	5/20/95	5/22/96		No bid in FY96

**STIKINE INDEPENDENT TIMBER SALES FOR SALES OVER 100 MBF  
FISCAL YEAR 1990 - 1996**

SALE NAME	TOTAL MBF	ROD DATE	BID DATE	AWARD DATE	REMARKS
HANGDOG	1,481		10/5/89	10/13/89	
EAST FORK	801	7/15/88	6/28/90	7/6/90	
FROOT	3,055	8/15/86	9/19/90	9/27/90	
JOHN EILERTSEN	240	10/16/90	10/16/90	10/16/90	
QUIET CEDAR	1,600	4/4/91	4/4/91	4/4/91	
SNOWCAT	4,977	2/11/91	6/25/91	7/3/91	
ZAREMBO CEDAR	240	6/17/91	9/17/91	9/17/91	
OLD HERMIT	14,520	1/9/88	9/24/91	10/1/91	
QUIET CEDAR II	750	10/18/91	1/18/92	2/18/92	
SHOOTER	1,800	2/4/87	3/25/92	3/31/92	
SNOWPUP	5,257	6/25/90	5/14/92	5/26/92	No bid in FY90 Reoffer sold in FY92
PORTAGE BAY SALVAGE	5,988	6/5/91	7/29/92	8/6/92	
WHITE ALICE SALVAGE	2,118	8/20/91	9/29/92	11/3/92	
CAPTAIN	210	4/6/92	11/30/92	11/30/92	
TWIN	3,726	5/8/92	9/30/92	2/3/93	
DEEP BAY SOUTH	9,720	9/2/92	10/14/92	4/6/93	
SUMNER SALVAGE	3,015	6/5/91	9/30/92	4/16/93	No bid in FY92 Reoffer sold in FY93
HIGH BUSH SALVAGE	144	3/6/93	6/7/93	6/17/93	
KARENA RE-OFFER	132	9/30/93	9/30/93	11/3/93	No bid in FY93 Reoffer sold in FY94
RYNDA BOOMSTICK	4,546	7/26/91	3/12/93	11/18/93	No bid in FY92 Reoffer sold in FY94
MIDPOINT	5,328	10/15/92	9/8/93	1/25/94	No bid in FY93 Reoffer sold in FY94
NEMO	1,588	4/6/92	3/30/94	4/4/94	
DEEP BAY NORTH	14,860	9/2/92	10/28/93	7/20/94	No bid in FY93 Reoffer sold in FY94
ZINGER SALVAGE	133	7/14/94	8/16/94	8/18/94	
ZAREMBO SALVAGE	371	5/9/94	9/20/94	9/27/94	
BUSHY SALVAGE	378	7/30/94	12/28/94	1/4/95	
SAGINAW	20,700	1/20/93	10/20/94	3/2/95	Litigated AWRTA Vol reduced 3.3 MMBF 2.9 MMBF still enj.
SINK	156	7/28/95	9/26/95	9/28/95	

SALE NAME	TOTAL MBF	ROD DATE	BID DATE	AWARD DATE	REMARKS
CEDAR	500	7/24/95	10/6/95	0/6/95	
BOHEMIA MOUNTAIN	35,529	9/29/93	10/31/95	2/16/96	Appealed, withdrawn FY91, vol reduced 2.7 mmbf, SEIS appealed FY96, litigated AWRTA and withdrawn
KINDERGARTEN SALVAGE	262	5/13/96	6/13/96	6/21/96	
LITTLE HAMILTON SALVAGE	331	3/30/95	9/3/96	9/13/96	

**CHATHAM INDEPENDENT-TIMBER SALES FOR SALES OVER 100 MBF  
FISCAL YEAR 1990 - 1996**

SALE NAME	TOTAL MBF	ROD DATE	BID DATE	AWARD DATE	REMARKS
JUALIN TIMBER SETTLEMENT	271	12/1/92	6/2/93	6/2/93	
GREENS CK ONE SETTLEMENT	645	1/2/93	6/4/93	6/4/93	
GREENS CK TWO SETTLEMENT	260		5/23/94	5/23/94	
FALSE ISLAND BLOWDOWN	390	6/1/93	8/23/94	8/24/94	
CORNER BAY SALVAGE	379	6/1/93	9/26/94	10/3/94	Appealed, no vol reduction
CORNER BAY HELI	7,984	9/1/92	9/26/94	10/14/94	
APPLETON	27,665	2/1/92	9/7/94	10/21/94	Appealed, no vol reduction
WUKUKLOOK SALVAGE	419	8/17/94	10/18/94	12/12/94	
SAOOK BAY	23,348	2/1/92	9/29/94	3/2/95	Litigated AWRTA Vol reduced 6.5 MMBF Sold in FY95
LUCY SALVAGE	382	7/17/95	10/10/95	10/18/95	
SPARE SALVAGE	187	9/18/95	10/18/95	10/23/95	
STRINGER FUELWOOD	159	3/31/95	11/21/95	1/17/96	
TRIBUTARY (REOFFER)	113	8/17/94	7/16/96	7/30/96	No bid in FY96 Reoffer sold in FY96
HANUS ATC	15,546		8/27/96	9/19/96	Appealed, Vol reduced .8 mmbf, No bid FY96 Reoffer sold in FY96
FURLOW FUELWOOD	161	11/15/95	6/3/96		No bid in FY96
HICA SALVAGE	205	11/25/95	6/3/96		No bid in FY96
ROD N' APPLE	8,133	2/5/96	9/10/96		No bid in FY96
POISON COVE	19,114	8/5/94	8/1/96		Now included in litigation Voluntarily withdrawn from add 7/30/96. Appealed

Task Name
PERMITS, PRE-ROD
DNR TIDELAND
DNR 906K
EPA-NPDES PERMIT
USCG BRIDGE ACT PERMIT
BRIDGE DESIGN
ADEC WASTE WATER PERMIT
ADEC DRINK WATER PLAN
MONITORING PLAN
ADEC DRINK WATER PLAN
ADEC SOLID WASTE PERMITS
LARGE DEBRIS PERMIT
CONSTR., OPER., & CLOSE PLAN
SMALL DEBRIS PERMIT
CONSTR., OPER., & CLOSE PLAN
SEPTIC SLUDGE PERMIT
CONSTR., OPER., & CLOSE PLAN
CAMP PLAN
COE NATIONWIDE PERMITS (36)
SHPO PROJECT CONCURRENCE
NMFS PROJECT CONCURRENCE
USF&WS PROJECT CONCURRENCE
ADF&G PROJECT CONCURRENCE
ADGC/SUBSISTENCE PROJECT CONCURRENCE
USCG PRIV. AIDS TO NAV.
EPA STORM WATER DISCHARGE NOTI.



<b>Task Name</b>
PERMITS, POST-ROD
COE PERMIT
CONST. IN NAV. WATERS
ADEC CERT. OF ASSUR.
DNR LT. LEASE
SURVEY
SPECIAL INSTRUCTIONS
SURVEY & DRAW
SURVEY APPROVAL
RECORD
DNR CLASSIFICATION
ADGC ACMP REVIEW
ADGC CONST. DETERMINATION
ADF&G PROJECT CONCURRENCE
USF&WS PROJECT CONCURRENCE
NMFS PROJECT CONCURRENCE
EPA PROJECT CONCURRENCE
EPA-NPDES PERMIT
BATH SURVEY
SURF. RUNOFF PLAN
MONITOR PLAN
SPILL PREV. PLAN
ADGC/SUBSISTENCE PROJECT CONCURRENCE



United States  
General Accounting Office  
Washington, D.C. 20548

Resources, Community, and  
Economic Development Division

B-271631

April 16, 1996

The Honorable Ted Stevens  
Chairman, Committee on  
Governmental Affairs  
United States Senate

Dear Mr. Chairman:

This report responds to your request for information on the Forest Service's use of appropriations to prepare timber sales and the projected and actual volumes of timber offered for sale on the Tongass National Forest in southeast Alaska. You expressed concern that the Forest Service has not offered sufficient volumes of timber to meet its targets, even though the Congress authorized the agency during fiscal years 1992-94 to use its timber salvage sale permanent appropriations (additional appropriations) in addition to its annual appropriations to ensure a steady timber supply for timber purchasers.

As agreed with your office, our review objectives were to (1) determine how the Forest Service spent its additional and annual appropriations for preparing timber sales for fiscal years 1992-94; (2) compare the target volumes with the actual volumes of timber offered in fiscal years 1990-95 and identify the reasons for the differences; and (3) compare the original with the current estimates of the volume of timber to be offered as a result of using the additional appropriations, identify the reasons for differences, and determine when the planned volumes are expected to be offered for sale.

#### RESULTS IN BRIEF

In fiscal years 1992-94, the Tongass National Forest spent about \$77.6 million to prepare timber sales - \$27.6 million in additional appropriations and \$49.9 million in annual appropriations. These expenditures covered the costs of contracting for environmental impact statements (EIS), preparing timber sales documentation, providing other resource support, and performing preconstruction engineering for timber roads.

For fiscal years 1990-95, the Tongass National Forest planned to offer “targets” of about 2.2 billion board feet and actually offered about 1.9 billion board feet or 88 percent of the original target. The Forest Service cited ongoing litigation, lower actual measured (cruised) volumes of timber offered for sale than were originally estimated, and planning for wildlife habitat conservation areas as the primary reasons for the shortfall.

The Tongass National Forest’s February 27, 1996, estimate of the volume of timber to be offered through the use of the additional appropriations is 850 million board feet-about 155 million board feet, or about 15 percent, less than the original estimate of 1,004 million board feet. The Forest Service cited more refined timber volume estimates, the need to protect cave formations and goshawk sites and actions required to comply with the Tongass Timber Reform Act as the primary reasons for the revised estimate. For fiscal years 1995-2001 the Forest Service estimates that it will offer a total of about 2,213 million board feet, or an average of about 316 million board feet per year.

#### BACKGROUND

The Forest Service, within the U.S. Department of Agriculture, manages the Tongass National Forest for multiple uses, such as timber production, outdoor recreation, and fish and wildlife. The agency’s Alaska Region-headquartered in Juneau, Alaska carries out these management responsibilities. The Tongass covers about 16.8 million acres in southeast Alaska and is the largest national forest in the United States, approximately equal in area to West Virginia. Because of its magnitude, the Tongass is divided into three administrative areas Chatham, Stikine, and Ketchikan-each of which has an area office headed by a forest supervisor. Each area office has between two and four districts, headed by a district ranger, to carry out daily operations.

To ensure that sufficient timber would be available to the timber industry in southeast Alaska and to ensure that employment in the timber industry would not decline, section 705(a) of the Alaska National Interest Lands Conservation Act of 1980 (P.L. 96487) directed that at least \$40 million be made available annually to support, among other things, a timber supply from the Tongass National Forest at a rate of 4.5 billion board feet per decade. This permanent appropriation-the Tongass Timber Supply Fund-was eliminated by section 101 of the Tongass Timber Reform Act of 1990 (P.L.S. 101426). Since the supply fund was eliminated in fiscal year 1991, the Tongass timber program has been funded in the same way as the timber programs in the other national forests, through the annual appropriation process.

## TIMBER SALE PREPARATION EXPENDITURES FOR FISCAL YEARS 1992-94

In fiscal years 1992-94, the Tongass National Forest spent about \$77.5 million to prepare timber sales—\$27.6 million in additional appropriations and \$49.9 million in annual appropriations.

### Use of Additional Appropriations

In fiscal years 1992-94, the Tongass National Forest received about \$28.2 million in addition to its annual appropriations to prepare timber sales. Of this amount, \$26 million was the result of the special authority contained in the Interior and Related Agencies Appropriation Acts for fiscal years 1992-94, which authorized the Forest Service to use its timber salvage sale permanent appropriation for preparing timber sales. The remaining \$2.2 million was received in fiscal year 1993—a special allocation from the Forest Service's national forest system appropriation. The primary purpose of these additional funds was to prepare additional sales to replenish the inventory of available sales. The specific uses of the additional funds are summarized below and are displayed in detail in enclosure I.

The majority of the \$28.2 million was used to prepare EISs or related documents required by the National Environmental Policy Act (NEPA). The Forest Service awarded contracts amounting to about \$20.8 million to prepare EISs on eight proposed timber projects and spent about \$1.4 million on two projects to perform in-house NEPA work. This work involved both precontract and postcontract award tasks connected with the EIS. Precontract award tasks included developing contract specifications, updating resource databases, developing cost estimates, and holding prebid meetings with prospective contractors. Postcontract award tasks included meeting with contractors to initiate projects and holding regular meetings between contractors and contract administration teams to check on projects' progress and compliance with contract.

Of the remaining \$6.0 million, the Tongass, National Forest spent about \$3.7 million on contracts to lay out harvest units in two project areas that had completed the NEPA process. Laying out harvest units is the third step of the timber sale preparation process and involves such actions as setting the boundaries for the cutting units, marking trees, and identifying the location of roads and log landing areas. Almost \$1 million was spent to amend various other contracts and repackage sales planned for the terminated Alaska Pulp

Corporation contract.<sup>1</sup> Repackaging sales involves writing supplements to the original EIS, validating boundaries, recalculating sales volumes, updating reforestation plans, writing the contract and prospectus, and advertising and awarding the sale. Finally, another \$750,000 was spent to conduct a timber suitability analysis of the Ketchikan area. The analysis included surveying about 90 percent of the Ketchikan area's suitable and available timber lands. The primary objective was to obtain a more accurate estimate of the volume that could be made available for harvest.

The Tongass National Forest carried forward the remaining \$628,000 to fiscal years 1995 and 1996. In 1995, \$490,000 was spent on a contract to redo the layouts for three harvest units of the Central Prince of Wales project in order to protect goshawk nesting sites. The work included the field layout of all harvest units and temporary roads. In addition, the units were traversed and cruised in order to estimate timber volumes and prepare a timber sale report and timber appraisal. The Tongass National Forest plans to use the remaining \$138,000 in 1996 to lay out harvest units for the Lab Bay project.

#### Use of Annual Appropriations

In fiscal years 1992-94, the Tongass National Forest recorded timber sale preparation expenditures of about \$52.1 million-\$36.1 million from its national forest system appropriation<sup>2</sup> and \$16.0 million from its construction appropriation. Because the Forest Service does not track timber sale expenditures on a sale-by-sale basis, we could not match the expenditures to individual sales. However, we identified from the Forest Service's accounting records the charges made to those accounts in each of the two appropriations that represent timber sale preparation activities. These expenditures are summarized below and displayed in detail in enclosure II.

Most of the expenditures for preparing timber sales were charged to three accounts—\$18.6 million to timber sale preparation, \$11.2 million to other

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<sup>1</sup>The Forest Service terminated the Alaska Pulp Corporation's long-term contract for breach of contract on Apr. 14, 1994, because the corporation shut down its pulp mill in Sept. 1993.

<sup>2</sup>This is the total amount expended and includes the \$2.2 million previously identified above as part of the additional appropriations. The Forest Services records are not maintained on a sale-by-sale basis; therefore, we could not determine what portion of the \$2.2 million was charged to each of the timber sale preparation activities.

resource support, and \$16.0 million to timber roads-preconstruction engineering. The timber sale preparation account is charged for activities involved in preparing the actual timber sale including laying out the sale, preparing the contract and appraisal, opening the bid, and awarding the sale. The other resource support account is charged for the work done by resource specialists, such as wildlife biologists, who assist in the timber sale NEPA process. The timber roads-preconstruction engineering account is charged for activities such as locating, surveying, and designing forest timber roads.

According to the timber management officers at each of the area offices, charges made to the other resource support account reflect work done by the resource specialists to directly support timber sales. Following are examples of the types of support activities performed in conjunction with timber sales:

- Recreation—Generating models to show how the harvested area will look from a road, recreation site, or inhabited area. Harvesting can then be altered to minimize the impact on visual quality.
- Cultural—Preparing an inventory of the cultural resources at each EIS area. This inventory is then reviewed by the state's historic preservation office. If cultural sites are found, they are cataloged and protected.
- Wildlife—Identifying the wildlife species that exist in a project area and determining what must be done to minimize the potentially adverse effects of harvesting.
- Anadromous Fish—Inventorying and classifying populations of anadromous fish in the project area's streams, determining how far up the streams fish migrate, and establishing buffers to protect the streams.

#### TARGET, AND ACTUAL TIMBER VOLUMES OFFERED IN FISCAL YEARS 1990-95

For fiscal years 1990-95, the Tongass National Forest estimated that it would offer about 2.2 billion board feet of timber for sale. The actual volume offered for sale was about 1.9 billion board feet, or 88 percent of the target volume.

The Tongass exceeded its targets in fiscal years 1992 and 1995, offering 102 and 106 percent, respectively. In the remaining years, it did not meet its targets, resulting in a shortfall of about 286 million board feet. The annual volumes offered ranged from 93 percent of the target in 1991 to 64 percent of the target

in 1993. The Forest Service cited a variety of reasons for the shortfalls, including the following:

- Timber sales could not be offered as planned because of litigation, appeals, or the need to reevaluate the environmental impact of planned sales.
- The actual cruised timber volumes were less than the estimated timber volumes used to establish the targets.
- Offerings were deferred until proposed wildlife habitat conservation areas could be evaluated.

See enclosure III for a detailed presentation of these data.

#### VOLUMES TO BE OFFERED AS A RESULT OF THE ADDITIONAL APPROPRIATIONS

As of February 27, 1996, the Forest Service estimates that the volume of Tongass timber that could eventually be offered for sale as a result of the additional appropriations is about 850 million board feet. This estimate is 155 million board feet, or about 15 percent, lower than the original estimate of about 1 billion board feet. The Tongass National Forest plans to offer the volume of 850 million board feet from 11 timber sale projects. When we compared the original estimate with the current estimate, we found that the volume increased on one project, remained unchanged on four projects, and decreased on six projects. The Forest Service said the primary reasons for decreasing the estimated volumes included protecting cave formations and goshawk nesting sites; complying with the proportionality requirements<sup>3</sup> of the Tongass Timber Reform Act; planning for wildlife habitat conservation areas; and refining estimates of timber volumes on the basis of ground surveys of harvest areas. See enclosure III for a detailed presentation of these data.

Because the process of planning for and offering timber sales to timber purchasers is labor-intensive and lengthy, the Forest Service has projected that it will not realize its current estimate of 850 million board feet until fiscal year 2001. The first portion of this volume—18 million board feet was offered in fiscal year 1995. Enclosure V shows the estimated volume to be offered, by

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<sup>3</sup>Section 301(c)(2) of the act required the Forest Service to modify the long-term timber contracts to eliminate the practice of harvesting a disproportionate amount of high-volume, old growth timber.

fiscal year, from each of the 11 timber sale projects. To provide a complete picture of future timber volumes, we have also included the estimated volumes the Forest Service plans to offer from its annual appropriations for the same period. The combined estimated timber volume for fiscal years 1995 through 2001 is about 2.2 billion board feet, or an average of about 316 million board feet per year for the 7-year period.

#### AGENCY COMMENTS

We provided a draft of this report to the Forest Service for its review and comment. We met with Timber Management officials designated by the Chief of the Forest Service to obtain their comments on the draft. These officials agreed with the accuracy of the information contained in our report and said it is a fair presentation of the timber sale preparation situation on the Tongass.

We conducted our review at the Forest Service's headquarters in Washington, D.C., and its Alaska Region in Juneau, Alaska. We renewed and analyzed expenditures for preparing timber sales from the Tongass National Forest's additional and annual appropriations. Since the Forest Service's accounting records do not provide expenditures on a sale-by-sale basis, we could not directly compare expenditures to volumes offered. We also reviewed the Tongass National Forest's attainment reports of the target and actual volumes of timber offered to the timber industry. In addition, we reviewed the Tongass National Forest's estimates of the future timber volumes to be offered through fiscal year 2001.

We did not independently verify the reliability of the data provided or of the systems from which they came. However, we did interview each of the area office timber managers and relied on testimonial evidence to explain why target volumes were not achieved and why projected timber volumes have changed. We conducted our review from January 1996 through April 1996 in accordance with generally accepted government auditing standards.

As we arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 7 days after the date of this letter. We will then send copies to the Secretary of Agriculture and the Chief of the Forest Service. We will make copies available to others on request.



B-271631

Major contributors to this report were Bob Arthur, Linda Harmon, Jill Lund, and John Murphy. If you have any questions about this report, please call me at (202) 512-3841.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Victor S. Rezendes', written in a cursive style.

Victor S. Rezendes  
Director, Energy, Resources,  
and Science Issues

Enclosures - 5

## TIMBER SALE PREPARATION EXPENDITURES FROM ADDITIONAL APPROPRIATIONS

			FISCAL YEAR			
Activity	1992	1993	1994	1995 <sup>a</sup>	1996 <sup>b</sup>	Total
<b>NEPA contracts/projects</b>						
Polk Inlet	\$2,515,357					\$2,515,357
Shamrock	1,234,333					1,234,333
Ushk Bay	2,104,949					2,104,949
Lab Bay	2,455,591					2,455,591
Lindenberg		\$1,793,783				\$1,793,783
8-Fathom		3,433,755				3,433,755
Control Lake		3,895,300				3,895,300
Port Houghton			\$3,329,561			\$3,329,561
<b>Subtotal</b>	<b>8,310,230</b>	<b>9,122,858</b>	<b>3,329,561</b>			<b>20,762,649</b>
Internal NEPA work/projects						
King George			1,000,000			1,000,000
8-Fathom			350,000			350,000
<b>Subtotal</b>			<b>1,350,000</b>			<b>1,350,000</b>
Lay out units/projects						
CPOW			2,025,000			2,025,000
North Revilla			1,721,000			1,721,000
Lab Bay					138,000	138,000
<b>Subtotal</b>			<b>3,746,000</b>		<b>138,000</b>	<b>3,884,000</b>
Repackage and amend contracts						
<b>Subtotal</b>			<b>963,500</b>			<b>963,500</b>
Perform suitability analysis						
<b>Subtotal</b>			<b>750,000</b>			<b>750,000</b>
Redo CPOW units						
<b>Subtotal</b>				<b>490,000</b>		<b>490,000</b>
<b>Total</b>	<b>\$8,310,230</b>	<b>\$9,122,858</b>	<b>\$10,139,061</b>	<b>\$490,000</b>	<b>\$138,000</b>	<b>\$28,200,149</b>

<sup>a</sup>Fiscal year 1995 expenditures were made from carryover funds from prior years.

<sup>b</sup>Fiscal year 1996 expenditures will be made from carryover funds from prior years.

<sup>c</sup>Central Prince of Wales.

TIMBER SALE PREPARATION EXPENDITURES FROM ANNUAL APPROPRIATIONS

<b>Appropriation/account</b>	<b>FY 1992</b>	<b>FY 1993</b>	<b>FY 1994</b>	<b>Total</b>
National Forest System				
Timber Sale Preparation	\$6,584,114	\$7,337,729	\$4,653,364	\$18,575,207
Other resource support				
Minerals	30,263	69,339	63,217	162,819
Recreation	348,650	546,605	418,865	1,314,120
Cultural resources	1,090,367	1,003,020	571,531	2,664,918
Wildlife	623,520	507,990	664,418	1,795,928
Inland Fish	223,706	218,860	197,540	640,106
Anadromous Fish	185,214	654,039	432,696	1,271,949
Threatened/endangered species	369,416	409,687	338,950	1,118,053
Soil and water	747,534	926,437	559,172	2,233,143
Subtotal (other resource support)	3,618,670	4,335,977	3,246,389	11,201,036
Silviculture exams	2,383,148	1,251,062	920,027	4,554,237
Timber resource planning	555,400	818,081	372,920	1,746,401
Subtotal	13,141,332	13,742,849	9,192,700	36,076,881 <sup>a</sup>
Construction				
Timber roads-preconstruction engineering	551,600	6,757,600	3,702,000	15,975,600
Subtotal	5,516,000	6,757,600	3,702,000	15,975,600
Total	\$18,657,332	\$20,500,449	\$12,894,700	\$52,052,481

<sup>a</sup>Includes the \$2.2 million additional allocation received in fiscal year 1993.

TARGET AND ACTUAL VOLUMES OFFERED, FISCAL YEARS 1990-95

Volume in thousands of board feet

Fiscal Year	Target Volume	Actual Volume	Difference	Percentage of target offered	Forest Service's reasons for difference
1990	377,500	334,333	(43,167)	88.6	The offering of two timber sales was delayed. New NEPA guidance made it necessary to reevaluate the environmental impact of the sales and rewrite the environmental impact statements. In addition, a Ninth Circuit Court Order halted the Alaska Pulp Corporation's operations on a portion of one project, reducing the volume of timber available for harvest.
1991	376,000	348,992	(27,008)	92.8	The actual cruised timber volume fell short of the estimated timber volume used to determine the timber target. Litigation reduced the volume of timber that could be offered to the Alaska Pulp Corporation.
1992	411,700	420,262	8,562	102.1	The volume of salvage timber offered was greater than anticipated. Additional timber was offered to meet the Alaska Pulp Corporation's volume requirements.
1993	417,000	266,490	(150,510)	63.9	One sale was not offered as planned because of multiple appeals, which required the Forest Service to prepare a supplemental environmental impact statement and reduce the volume of timber offered for sale. The timber target for one area was based on an overly optimistic estimate of how much timber could be prepared and offered before the end of fiscal year 1993. The records of decision for two timber sales were not issued and implemented in fiscal year 1993 as scheduled; hence, these sales were not offered until fiscal year 1994.
1994	325,000	259,329	(65,671)	79.8	The timber volume originally scheduled for the Alaska Pulp Corporation was not released because the Forest Service terminated its long-term contract. The timber volume on another sale was not offered because an appeal questioned the construction of logging roads in a roadless area. Another timber sale was delayed to resolve the wildlife community's concerns about a proposed habitat conservation area.
1995	273,500	290,467	16,967	106.2	The actual cruised timber volume offered from one sale exceeded the estimated timber volume used to determine the timber target. A concerted effort was made to offer a significant volume of timber that had been blown down.

CHANGES TO ESTIMATES OF TIMBER VOLUMES TO BE OFFERED USING ADDITIONAL APPROPRIATIONS

Volume in thousands of board feet

Project	Original Estimate	Revised Estimate*	Difference	Forest Service's reasons for difference
Polk Inlet	125.0	122.1	(2.9)	The original estimate was reduced by 2.9 million board feet after better information on the volume of available timber was obtained through field reconnaissance of the project area.
Shamrock	40.0	40.0	0	
Ushk Bay	89.0	67.4	(21.6)	The original estimate was decreased by 21.6 million board feet because a native allotment claim at the head of Deep Bay remained unresolved. The allotment claim affected a site that would have provided access by road to a proposed log transfer facility. It was not economical to haul timber from the Deep Bay watershed to another log transfer facility.
Lab Bay	85.0	40.0	(45.0)	The original estimate was reduced by 45 million board feet because of harvesting's potential effects on karst formations (e.g., caves and springs), emphasis on ecosystem management, and the proportional timber harvest requirements of the Tongass Timber Reform Act of 1990.
Lindenburgh	55.0	52.0	(3.0)	The original estimate was decreased by 3 million board feet because of visual considerations stemming from the location of the proposed timber harvest units, the discovery of four active goshawk nests in close proximity of the proposed harvest units and road locations, and the need to conserve old growth stands for potential wildlife habitat conversation areas.
8-Fathom	150.0	105.0	(45.0)	The original estimate was decreased by 45 million board feet to plan for potential wildlife habitat conservation areas, protect goshawk nesting sites, and comply with native subsistence requirements.
Control Lake	187.0	140.0	(47.0)	The original estimate was reduced by 47 million board feet to prevent potential adverse effects on karst formation (e.g., caves and springs), comply with native subsistence requirements, and facilitate ecosystem management.

CHANGES TO ESTIMATES OF TIMBER VOLUMES TO BE OFFERED USING ADDITIONAL APPROPRIATIONS, continued

Volume in thousands of board feet

Project	Original Estimate	Revised Estimate*	Difference	Forest Service's reasons for difference
Port Houghton	123.0	133.0	10.0	The original estimate was increased by 10 million board feet in the 10-year timber sale plans prepared by the Sitkine and Chatham areas after better information on timber volumes was obtained.
King George	24.0	24.0	0	
Central Prince of Wales	76.4	76.4	0	
North Revilla	49.7	49.7	0	
<b>Total</b>	<b>1,004.1</b>	<b>849.6</b>	<b>(154.5)</b>	

\*AS of Feb. 27, 1996.

ESTIMATED ANNUAL TIMBER VOLUME TO BE OFFERED USING ADDITIONAL AND ANNUAL APPROPRIATIONS, FISCAL YEARS 1995-2001

Volume in millions of board feet

Appropriations/Project	FY 1995 <sup>a</sup>	FY1996	FY1997	FY1998	FY1999	FY2000	FY2001	Total timber volume to be offered
Additional Appropriations								
Polk Inlet	17.9	25.8	54.7	23.7				122.1
Shamrock		21.0				19.0		40.0
Ushk Bay		22.4		20.0		25.0		67.4
Lab Bay			40.0					40.0
Lindenbug			22.0	30.0				52.0
8-Fathom		30.0	15.0		20.0	25.0	15.0	105.0
Control Lake			60.0	55.0	25.0			140.0
Port Houghton				70.0	32.0	31.0		133.0
King George		20.0	2.0	2.0				24.0
Central Prince of Wales		76.4						76.4
North Revilla		49.7						49.7
Subtotal	17.9	245.3	193.7	200.7	77.0	100.0	15.0	849.6
Annual Appropriations								
Subtotal	299.5	77.1	105.8	60.0	301.3	292.0	228.0	1,363.7
Total	317.4	322.4	299.5	260.7	378.3	392.0	243.0	2,213.3

<sup>a</sup>Volume figures for fiscal year 1995 are actual.

(140532)

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